



BILLING CODE: 3510-DS-P

DEPARTMENT OF COMMERCE

INTERNATIONAL TRADE ADMINISTRATION

A-588-876

Steel Concrete Reinforcing Bar from Japan: Preliminary Affirmative Determination of Sales at Less Than Fair Value

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) preliminarily determines that steel concrete reinforcing bar (rebar) from Japan is being, or is likely to be, sold in the United States at less than fair value (LTFV). The period of investigation (POI) is July 1, 2015, through June 30, 2016. The estimated dumping margins of sales at LTFV are listed in the “Preliminary Determination” section of this notice. Interested parties are invited to comment on this preliminary determination.

DATES: EFFECTIVE [Insert date of publication in the *Federal Register*.]

FOR FURTHER INFORMATION CONTACT: David Lindgren, AD/CVD Operations, Office VII, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-3870.

SUPPLEMENTARY INFORMATION:

Background

This preliminary determination is made in accordance with section 733(b) of the Tariff Act of 1930, as amended (the Act). The Department published the notice of initiation of this

investigation on October 18, 2016.¹ For a complete description of the events that followed the initiation of this investigation, *see* the Preliminary Decision Memorandum, dated concurrently with this determination and hereby adopted by this notice.² A list of topics included in the Preliminary Decision Memorandum is included as Appendix II to this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>, and to all parties in the Central Records Unit, room B8024 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. The signed Preliminary Decision Memorandum and the electronic version are identical in content.

Scope of the Investigation

The product covered by this investigation is rebar from Japan. For a complete description of the scope of this investigation, *see* Appendix I.

Scope Comments

In accordance with the preamble to the Department's regulations,³ the *Initiation Notice* set aside a period of time for parties to raise issues regarding product coverage (*i.e.*, scope).⁴ No interested party commented on the scope of the investigation as it appeared in the *Initiation Notice*. However, because the investigation pertains to rebar from Japan, the Department preliminarily modified the scope language as it appeared in the *Initiation Notice* to remove the

¹ *See Steel Concrete Reinforcing Bar from Japan, Taiwan and the Republic of Turkey: Initiation of Less-Than-Fair Value Investigations*, 81 FR 71697 (October 18, 2016) (*Initiation Notice*).

² *See* Memorandum, "Decision Memorandum for the Preliminary Determination in the Less-Than-Fair-Value Investigation of Steel Concrete Reinforcing Bar from Japan" dated concurrently with, and hereby adopted by, this notice (Preliminary Decision Memorandum).

³ *See Antidumping Duties; Countervailing Duties; Final Rule*, 62 FR 27296, 27323 (May 19, 1997).

⁴ *See Initiation Notice*.

language pertaining to the scope of the countervailing duty investigation of rebar from Turkey. See the scope in Appendix I to this notice.

Methodology

The Department is conducting this investigation in accordance with section 731 of the Act. Both mandatory respondents, Jonan Steel Corporation (Jonan) and Kyoei Steel Ltd. (Kyoei), failed to participate in this investigation by not responding to the Department's initial questionnaire.⁵ As a result, pursuant to section 776(a) and (b) of the Act and 19 CFR 351.308, the Department has preliminarily relied upon facts otherwise available, with adverse inferences, to assign an estimated weighted-average dumping margin to the Jonan and Kyoei. For a full description of the methodology underlying our preliminary conclusions, see the Preliminary Decision Memorandum.

All-Others Rate

Sections 733(d)(1)(A)(ii) and 735(c)(5)(A) of the Act provide that, in the preliminary determination, the Department shall determine an estimated all-others rate for all exporters and producers not individually investigated, which shall be an amount equal to the weighted average of the estimated weighted-average dumping margins established for exporters and producers individually investigated, excluding any zero and *de minimis* margins, and any margins determined entirely under section 776 of the Act.

Pursuant to section 735(c)(5)(B) of the Act, if the estimated weighted-average dumping margins established for all exporters and producers individually examined are zero, *de minimis* or determined based entirely under section 776 of the Act, the Department may use any reasonable method to establish the estimated dumping margin for all other producers or exporters.

⁵ See Preliminary Decision Memorandum.

As noted above, we determined the dumping margin for the individually examined companies Jonan and Kyoei under section 776 of the Act. Consequently, the only available dumping margins for this preliminary determination are found in the petition and are margins upon which we initiated this investigation. Pursuant to section 735(c)(5)(B) of the Act, the Department's practice under these circumstances has been to calculate the “all-others” rate as a simple average of these margins from the petition.⁶ For a full description of the methodology underlying our conclusions, see the Preliminary Decision Memorandum.

Preliminary Determination

The Department preliminarily determines that rebar from Japan is being, or is likely to be, sold in the United States at LTFV, pursuant to section 733 of the Act, and that the following weighted-average dumping margins exist:

Exporter/Producer	Weighted-Average Dumping Margin (percent)
Jonan Steel Corporation	209.46
Kyoei Steel Ltd.	209.46
All-Others	206.43

⁶ See, e.g., *Notice of Preliminary Determination of Sales at Less Than Fair Value: Sodium Nitrite from the Federal Republic of Germany*, 73 FR 21909, 21912 (April 23, 2008), unchanged in *Notice of Final Determination of Sales at Less Than Fair Value: Sodium Nitrite from the Federal Republic of Germany*, 73 FR 38986, 38987 (July 8, 2008), and accompanying Issues and Decision Memorandum at Comment 2; see also *Notice of Final Determination of Sales at Less Than Fair Value: Raw Flexible Magnets from Taiwan*, 73 FR 39673, 39674 (July 10, 2008); *Steel Threaded Rod from Thailand: Preliminary Determination of Sales at Less Than Fair Value and Affirmative Preliminary Determination of Critical Circumstances*, 78 FR 79670, 79671 (December 31, 2013), unchanged in *Steel Threaded Rod from Thailand: Final Determination of Sales at Less Than Fair Value and Affirmative Final Determination of Critical Circumstances*, 79 FR 14476, 14477 (March 14, 2014).

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, the Department will direct U.S. Customs and Border Protection (CBP) to suspend liquidation of all entries of subject merchandise as described in the “scope of the investigation” section of this notice entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the *Federal Register*, as discussed below.⁷ Further, pursuant to section 733(d)(1)(B) of the Act and 19 CFR 351.205(d), the Department will instruct CBP to require a cash deposit equal to the dumping margins, as indicated in the chart above, as follows: (1) the rate for the mandatory respondents listed above will be the respondent-specific rates we determined in this preliminary determination; (2) if the exporter is not a mandatory respondent identified above, but the producer is, the rate will be the specific rate established for the producer of the subject merchandise; and (3) the rate for all other producers or exporters will be the “all-others” rate. This suspension of liquidation instruction will remain in effect until further notice.⁸

Disclosure

Normally, the Department discloses to interested parties the calculations performed in connection with a preliminary determination within five days of its public announcement or, if there is no public announcement, within five days of the date of publication of this notice in accordance with 19 CFR 351.224(b). However, because the Department preliminarily applied AFA to both Jonan and Kyoei, in accordance with section 776 of the Act, there are no calculations to disclose.

⁷ See Appendix I.

⁸ See *Modification of Regulations Regarding the Practice of Accepting Bonds During the Provisional Measures Period in Antidumping and Countervailing Duty Investigations*, 76 FR 61042 (October 3, 2011).

Verification

Because the mandatory respondents in this investigation did not provide information requested by the Department and the Department preliminarily determines each of the mandatory respondents to have been uncooperative, verification will not be conducted.

Public Comment

Interested parties are invited to comment on this preliminary determination. Case briefs or other written comments may be submitted to the Assistant Secretary for Enforcement and Compliance no later than 30 days after the date of publication of this notice, and rebuttal briefs, limited to issues raised in case briefs, may be submitted no later than five days after the deadline date for case briefs.⁹ Pursuant to 19 CFR 351.309(c)(2) and (d)(2), parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities. All documents must be filed electronically using ACCESS. An electronically filed document must be received successfully in its entirety by ACCESS by 5 p.m. Eastern Standard Time on the date the document is due.

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice.¹⁰ Requests should contain the party's name, address, and telephone number, the number of participants, whether any participant is a foreign national, and a list of the issues to be discussed. If a request for a hearing is made, the Department intends to hold the hearing at the U.S. Department of Commerce, 1401 Constitution Avenue, NW,

⁹ See 19 CFR 351.309; *see also* 19 CFR 351.303 (for general filing requirements).

¹⁰ See 19 CFR 351.310(c).

Washington, DC 20230¹¹, at a time and date to be determined. Parties should confirm by telephone the date, time, and location of the hearing two days before the scheduled date.

Final Determination

In accordance with Section 735(a)(1) of the Act and 19 CFR 351.210(b)(1), we will make the final determination no later than 75 days after the signature date of this preliminary determination.

International Trade Commission Notification

In accordance with section 733(f) of the Act, we are notifying the International Trade Commission (ITC) of our preliminary determination. If our final determination is affirmative, the ITC will determine before the later of 120 days after the date of this preliminary determination or 45 days after our final determination whether these imports are materially injuring, or threaten material injury to, the U.S. industry.

This determination is issued and published in accordance with sections 733(f) and 777(i)(1) of the Act and 19 CFR 351.205(c).

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

February 28, 2017

Date

¹¹ *Id.*

Appendix I

Scope of the Investigation

The merchandise subject to this investigation is steel concrete reinforcing bar imported in either straight length or coil form (rebar) regardless of metallurgy, length, diameter, or grade or lack thereof. Subject merchandise includes deformed steel wire with bar markings (*e.g.*, mill mark, size, or grade) and which has been subjected to an elongation test.

The subject merchandise includes rebar that has been further processed in the subject country or a third country, including but not limited to cutting, grinding, galvanizing, painting, coating, or any other processing that would not otherwise remove the merchandise from the scope of the investigation if performed in the country of manufacture of the rebar.

Specifically excluded are plain rounds (*i.e.*, nondeformed or smooth rebar). Also excluded from the scope is deformed steel wire meeting ASTM A1064/A1064M with no bar markings (*e.g.*, mill mark, size, or grade) and without being subject to an elongation test.

The subject merchandise is classifiable in the Harmonized Tariff Schedule of the United States (HTSUS) primarily under item numbers 7213.10.0000, 7214.20.0000, and 7228.30.8010. The subject merchandise may also enter under other HTSUS numbers including 7215.90.1000, 7215.90.5000, 7221.00.0017, 7221.00.0018, 7221.00.0030, 7221.00.0045, 7222.11.0001, 7222.11.0057, 7222.11.0059, 7222.30.0001, 7227.20.0080, 7227.90.6030, 7227.90.6035, 7227.90.6040, 7228.20.1000, and 7228.60.6000.

HTSUS numbers are provided for convenience and customs purposes; however, the written description of the scope remains dispositive.

Appendix II

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
 - II. Background
 - III. Period of Investigation
 - IV. Scope of the Investigation
 - V. Use of Facts Available with Adverse Inferences
 - A. Application of Facts Available
 - B. Use of Adverse Inferences
 - C. Selection and Corroboration of the AFA Rate
 - VI. All-Others Rate
 - VII. Verification
 - VIII. Conclusion
- [FR Doc. 2017-04415 Filed: 3/6/2017 8:45 am; Publication Date: 3/7/2017]